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UNDP

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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF PAKISTAN

Saindak Integrated Mineral Development Projects
(PAK/78/022)

Report of the Administrator*

Date of present approval:	April 1979
Starting date of project activities:	April 1979
Planned completion date:	January 1981
To be executed by:	United Nations
Government implementing agency:	Resource Development Corporation through the Ministry of Petroleum and Natural Resources
Estimated cost of assistance planned under present approval:	$411 000
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. The development of Saindak area will result in important socio-economic benefits to the Province of Baluchistan and will open a large area with known potential in minerals. Taking into consideration the projection of resources and expenditure under the Fifth National Development Plan, and the importance of the previous pre-feasibility work carried out by the subcontracted firm Seltrust on prices of copper, other by-products and capital investment, it has been deemed necessary by the Government to undertake further additional studies in this area. The proposed studies under this project will then permit the Resource Development Corporation to further substantiate the pre-feasibility study prepared by Seltrust. The main portion of the UNDP contribution contemplated in this project is to permit the Government to procure the equipment required to carry out the proposed geo-technical and topo-geological studies.

2. The project is a follow-up to the projects Saindak Porphyry Copper Exploration

*In accordance with General Assembly resolution 2688 (XXV) and subsequent authorizations of the UNDP Governing Council, reports are issued seriatim on the approval of UNDP assistance of $250,000 or more (including, if any, assistance financed by Government or by third-party cost sharing).

(PAK/73/048) and Pre-investment Feasibility Study of Saindak Copper Deposit in Pakistan (PAK/75/079). The former was carried out with the assistance of UNDP, and the latter with a financial contribution from the Netherlands Government through the United Nations.

II. Objectives and activities

3. The immediate objectives of the project are, among others: (a) investigation of subsurface hydrology, its effect on the pit slope design; and the evaluation and design of groundwater depressurization schemes for incorporation into pit design development; (b) evaluation of drilling and blasting methods, and the requirements for production and pit development; (c) design and development strategies for waste dumps; including analysis of foundation conditions for possible dump leaching operations in the future; and (d) design and development strategies for tailing dams: investigation of water losses other than evaporation.

III. Inputs

4. Under the assistance now approved UNDP will provide, through the Executing Agency, the services of one adviser in open-pit mining of porphyry copper deposits and one adviser in the operation of the copper concentrator and mill. UNDP will also provide $121,000 for fellowships and study tours, as well as surveying and geotechnical equipment.

5. To carry out the activities for which assistance is now approved, the Government of Pakistan will make available office space in the present premises of the Resource Development Corporation, along with operating costs particularly for office furniture, equipment and three vehicles, as well as national personnel engaged in mining.

IV. Financial data

6. The expenditure components of the planned assistance are as follows:

	$
Personnel	120 000
Training	121 000
Equipment	160 000
Miscellaneous	10 000
	411 000

7. The estimated total value, expressed in US dollars, of inputs provided directly by the Government to the project is $270,100 in kind.

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